

- (a) Surrender the original check; and
- (b) Executive the required indemnification agreement.

§ 355.11 What should I do if the endorsement on my check is forged or unauthorized?

If we verify the existence or a forged or unauthorized endorsement on a paid fiscal agency check, the payor Reserve Bank will issue a replacement check to the person entitled. The payee or endorsee must execute an affidavit that there has been a forged or unauthorized endorsement. We may also require an indemnification agreement.

§ 355.12 What requirements apply if the check is payable to two or more persons?

If the fiscal agency check is payable to two or more persons, the requirements of this part apply to all designated payees.

§ 355.13 Are there any additional requirements related to fiscal agency checks?

We may require an indemnification agreement, with or without surety. You must provide any additional evidence we consider necessary. We will require any information necessary for the protection of the interests of the United States.

§ 355.14 Can these regulations be waived?

We reserve the right, in our discretion, to waive any provision of the regulations in this part in any case or class of cases for the convenience of the United States, or to relieve any person of unnecessary hardship, if the waiver is not inconsistent with law and will not subject the United States to substantial expense or liability.

§ 355.15 Can these regulations be amended?

We may, at any time, supplement, amend, or revise the regulations in this part.

PART 356—SALE AND ISSUE OF MARKETABLE BOOK-ENTRY TREASURY BILLS, NOTES, AND BONDS (DEPARTMENT OF THE TREASURY CIRCULAR, PUBLIC DEBT SERIES NO. 1-93)

Subpart A—General Information

- Sec.
- 356.0 Authority for sale and issue.
- 356.1 Applicability.
- 356.2 Definitions.
- 356.3 Book-entry securities and systems.
- 356.4 Functions of Federal Reserve Banks.
- 356.5 Description of securities.

Subpart B—Bidding, Certifications, and Payment

- 356.10 Offering announcement.
- 356.11 Submission of bids.
- 356.12 Noncompetitive and competitive bidding.
- 356.13 Net long position.
- 356.14 Submitting bids for customers.
- 356.15 Bidding through investment advisers.
- 356.16 Certifications.
- 356.17 Responsibility for payment.

Subpart C—Determination of Auction Awards; Settlement

- 356.20 Determination of auction awards.
- 356.21 Proration of awards.
- 356.22 Limitation on auction awards.
- 356.23 Announcing auction results.
- 356.24 Notice of awards; confirmations.
- 356.25 Payment for awarded securities.

Subpart D—Miscellaneous Provisions

- 356.30 Payment of principal and interest on notes and bonds.
- 356.31 STRIPS.
- 356.32 Taxation.
- 356.33 Reservation of rights.
- 356.34 Remedies.
- 356.35 Reservations as to terms of offerings.
- 356.36 Paperwork Reduction Act approval.
- APPENDIX A TO PART 356—BIDDER DEFINITIONS
- APPENDIX B TO PART 356—FORMULAS AND TABLES
- APPENDIX C TO PART 356—INVESTMENT CONSIDERATIONS
- APPENDIX D TO PART 356—DESCRIPTION OF THE CONSUMER PRICE INDEX
- EXHIBIT A TO PART 356—SAMPLE ANNOUNCEMENTS OF TREASURY OFFERINGS TO THE PUBLIC
- EXHIBIT B TO PART 356—SAMPLE AUTOCHARGE AGREEMENT TO DELIVER AND CHARGE FOR SECURITIES AWARDED IN DEPARTMENT OF THE TREASURY AUCTIONS (SUBMITTER AND DEPOSITORY INSTITUTION)

§ 356.0

AUTHORITY: 5 U.S.C. 301; 31 U.S.C. 3102, *et seq.*; 12 U.S.C. 391.

SOURCE: 58 FR 414, Jan. 5, 1993, unless otherwise noted.

Subpart A—General Information

§ 356.0 Authority for sale and issue.

The Secretary of the Treasury is authorized under chapter 31 of title 31, United States Code, to issue United States obligations and to offer them for sale under such terms and conditions as the Secretary may prescribe.

§ 356.1 Applicability.

Unless otherwise specified in an offering announcement, the provisions in this part, including the appendices, govern the sale and issuance of all marketable Treasury securities and any other obligations issued by the Secretary that, by the terms of the offering announcement, are made subject to this part.

§ 356.2 Definitions.

In this part, unless the context indicates otherwise:

Accrued interest means an amount payable to the Department for such part of the next semiannual interest payment that represents interest income attributed to the period prior to the date of issue. (See appendix B, section I, paragraph C.)

Adjusted value means, for an interest component stripped from an inflation-indexed security, an amount derived by multiplying the semiannual interest rate by the par amount and then multiplying this value by 100 divided by the Reference CPI of the original issue date (or dated date, when the dated date is different from the original issue date). (See Appendix B, Section IV to this part, for an example of how to calculate the adjusted value for interest components stripped from an inflation-indexed security.)

Auction means a bidding process by which the Department sells marketable Treasury securities to the public.

Autocharge agreement means a written agreement between a submitter and a depository institution or between a clearing corporation and a depository institution, acknowledged by a Federal Reserve Bank, which authorizes a Fed-

31 CFR Ch. II (7–1–04 Edition)

eral Reserve Bank to deliver securities awarded at auction to the book-entry account of the depository institution or, when authorized, to a TREASURY DIRECT account, and to charge a funds account of the depository institution for the settlement amount of the securities. (See exhibit B for a sample autocharge agreement between a submitter and a depository institution.)

Bid means an offer to purchase a stated par amount of securities, either competitively or noncompetitively, in an auction. An offer to purchase a stated par amount of securities submitted by a depository institution or dealer to fulfill a guarantee to sell a specified amount of securities at an agreed-upon price or a price fixed in terms of an agreed-upon standard is a bid of the depository institution or dealer and not a bid of a customer.

Bidder, as further defined in appendix A, means a person or an entity that bids either directly or through an entity authorized to submit bids for customers in an auction. In some cases, two or more persons or entities are considered to be one bidder based on their relationship or their actions in participating in an auction.

Bid-to-cover ratio means the total par amount of securities bid for by the public divided by the total par amount of securities awarded to the public. The bid-to-cover ratio excludes any bids or awards for the account of the Federal Reserve Banks.

Book-entry security means a security the issuance and maintenance of which are represented by an accounting entry or electronic record and not by a certificate. Treasury book-entry securities may generally be held in either TRADES or in TREASURY DIRECT. (See § 356.3.)

Business day means any day other than a Saturday, Sunday, or other day on which the Federal Reserve Banks are not open for business.

Call means the redemption, pursuant to the terms specified in its offering announcement, of a security, in whole or in part, prior to maturity, at the option of the Secretary.

Clearing corporation means a clearing agency as defined in Section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(23)) that is registered with